

Small Business Regulatory Fairness Board Small Business Impact Statement

Date: June 23, 2016

Rule Number: 13 CSR 70-15.010

Name of Agency Preparing Statement: Department of Social Services

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Please describe the methods your agency considered or used to reduce the impact on small businesses *(examples: consolidation, simplification, differing compliance, differing reporting requirements, less stringent deadlines, performance rather than design standards, exemption, or any other mitigating technique).*

This amendment provides for the State Fiscal Year (SFY) 2017 trend factor to be applied in determining Federal Reimbursement Allowance (FRA) funded hospital payments for SFY 2017. This amendment also provides for the change in Children's Outliers reimbursement effective May 1, 2017.

Please explain how your agency has involved small businesses in the development of the proposed rule.

The Division worked with the Missouri Hospital Association to determine the trends in the proposed amendment. Also, the proposed amendment will be filed with the Secretary of State's office and published in the Missouri Register where it will be open for comments for 30 days before a final rule will be published.

Please list the probable monetary costs and benefits to your agency and any other agencies affected. Please include the estimated total amount your agency expects to collect from additionally imposed fees and how the moneys will be used.

No fees will be collected in conjunction with the implementation of this rule. This proposed amendment results in an increase to the reimbursement to hospitals since hospital Medicaid costs are trended in order to determine hospital payments for SFY 2017. Trend increases are funded by the Federal Reimbursement Allowance (FRA), which is the hospital provider tax, and federal funds. The estimated cost of applying the trend factor for FY 17 is \$53.9 million (\$19.8 million FRA).

Please describe small businesses that will be required to comply with the proposed rule and how they may be adversely affected.

This is an increase to reimbursement for hospitals and there will be no private entity cost. There are not any specific requirements to comply with relating to how the additional reimbursement is to be used.

Please list direct and indirect costs (in dollars amounts) associated with compliance.

This is an increase to reimbursement for hospitals and there will be no private entity cost.

Please list types of business that will be directly affected by, bear the cost of, or directly benefit from the proposed rule.

Missouri hospitals will be directly affected by the proposed amendment.

Does the proposed rule include provisions that are more stringent than those mandated by comparable or related federal, state, or county standards?

Yes___ No X

If yes, please explain the reason for imposing a more stringent standard.

For further guidance in the completion of this statement, please see §536.300, RSMo.